DELIVERING SUSTAINABLE GROWTH

Our vision and our strategy define the direction of the Group. In light of the disposal of our entire US business (for more detail, see page 3), our strategy is reshaped and is now focused solely on the UK market. Our strategic framework is now aligned around four strategic priorities that we use to optimise Greencore's growth potential.

STRATEGIC PRIORITY	2018 PERFORMANCE
ENHANCE OUR LEADERSHIP POSITION IN UK CONVENIENCE FOOD	The Group continued to develop and strengthen its commercial relationships to support growth, especially in the food to go category. In all categories, we worked with customers to implement initiatives to maximise returns and drive category growth. FY18 Pro Forma Revenue Growth was 8.7%, comprising a 10.8% advance in food to go categories and a 4.9% increase in other business.
DEVELOP ENDURING AND VALUED CUSTOMER RELATIONSHIPS	We continued to deepen strategic relationships with our customers to achieve the best outcome for them, their consumers, and Greencore. This has allowed us to provide a broader capability set to customers including new product development, technical and food safety, sourcing, order management, manufacturing, distribution and merchandising.
INVEST IN PEOPLE, INFRASTRUCTURE AND CAPABILITY	We have underpinned our commercial capability with enhanced productivity in our UK infrastructure. This has involved the implementation of a more compact and dynamic divisional structure, with a resulting overhead reduction, and an enhanced focus on operational capability and delivery. We have also further developed our employee engagement and retention policies so as to continue to differentiate ourselves through our people. We successfully expanded our workforce to support underlying growth and adopted a more consistent approach to divisional and functional deployment. Careful strategic capital investment in infrastructure and capacity was made to support growth opportunities and create a platform for enhanced returns.
MAINTAIN A STRONG FINANCIAL AND ECONOMIC MODEL	We generated increased Free Cash Flow from a combination of a solid earnings base, tightly managed working capital, and reduced capital expenditure levels.

1 The Group uses Alternative Performance Measures ('APMs') which are non-IFRS measures to monitor the performance of its operations and of the Group as a whole. These APMs along with their definitions and reconciliations to IFRS measures are provided in the APMs section on pages 158 to 162.

OUTLOOK	RELATED RISKS/KPIs
We will continue to enhance our commercial collaboration with existing customers in existing channels to drive growth and maximise product returns. We will also seek to expand our product range and broaden our channel reach by utilising our investment in consumer insight and our additional capacity to develop new business opportunities with and for customers. We will also underpin this activity with disciplined strategic and tactical M&A activity.	**RELATED RISKS** Strategic risks (see page 32) **RELATED KPIs** Pro Forma Revenue Growth (see page 16)
We will continue to expand our capability set throughout the supply chain, underpinned by excellent customer service. We will engage openly with customers as they seek to grow in new formats and channels or to consolidate markets via acquisition.	**RELATED RISKS** Commercial risks (see pages 32 and 33) **RELATED KPIs** Food safety and service (see page 18)
We will ensure that we have an aligned cost infrastructure to fit the scale and growth opportunities available to the business. We will also continue to drive operational improvement, focusing on all areas of the supply chain. We will continue to enhance our engagement and retention strategy and maintain pay structures and employment conditions to ensure labour availability. Infrastructure and capacity are important elements of our strategic growth plan and investment opportunities will be considered to maintain this capability in a disciplined manner.	**RELATED RISKS** Operational risks (see pages 33 to 35) **RELATED KPIs** Employee engagement and health and safety (see page 18) Free Cash Flow (see page 17)
We will generate increased cash flow from the business by maintaining close control of key drivers such as working capital management, capital expenditure levels, and other operating cash flows. We will use a substantial portion of the net proceeds from the disposal of the US business to reduce leverage, and then target a medium-term leverage ratio of 1.5-2.0x Net Debt to EBITDA (as measured under financing agreements). We are committed to dynamic capital management, balancing the strategic and investment needs of the Group, leverage reduction, returns to shareholders and a progressive dividend policy.	**RELATED RISKS** Financial and other risks (see page 35) **RELATED KPIs** Adjusted EPS and ROIC (see page 16)